



**PROJECT AGREEMENT 24 COMMITTEE**  
Inland Empire Brine Line  
**SPECIAL MEETING MINUTES**  
May 14, 2024

**COMMITTEE MEMBERS PRESENT**

T. Milford Harrison, Chair, San Bernardino Valley Municipal Water District Governing Board  
Mike Gardner, Vice Chair, Western Municipal Water District Governing Board  
David Slawson, Alternate, Eastern Municipal Water District Governing Board  
Jasmin Hall, Inland Empire Utilities Agency Governing Board

**COMMITTEE MEMBERS ABSENT**

Joe Mouawad, Eastern Municipal Water District General Manager

**ALTERNATE COMMITTEE MEMBERS PRESENT [Non-Voting]**

Gil Botello, San Bernardino Valley Municipal Water District Governing Board

**STAFF PRESENT**

Jeff Mosher, Karen Williams, David Ruhl, Dean Unger, John Leete, Sara Villa, Shavonne Turner, Zyanya Ramirez

**OTHERS PRESENT**

Andrew D. Turner, Lagerlof, LLP; Ken Tam, Inland Empire Utilities Agency; Bruce Whitaker, Orange County Water District; Derek Kawaii, Western Municipal Water District; Leo Ferrando, San Bernardino Valley Municipal Water District; Dawn Coulson; Epps & Coulson, LLP

**1. CALL TO ORDER | PLEDGE OF ALLEGIANCE**

The Special Meeting of the PA 24 Committee was called to order at 10:02 a.m. by Chair T. Milford Harrison on behalf of the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California.

**2. ROLL CALL**

**3. PUBLIC COMMENTS**

There were no public comments; there were no public comments received via email.

**4. ITEMS TO BE ADDED OR DELETED**

There were no added or deleted items.

**5. CONSENT CALENDAR**

**A. APPROVAL OF MEETING MINUTES: APRIL 2, 2024**

Recommendation: Approve as posted.

**MOVED**, to approve the Consent Calendar as posted.

Result:	<b>Adopted by Roll Call Vote</b>
Motion/Second:	Gardner/Hall
Ayes:	Gardner, Hall, Harrison
Nays:	None
Abstentions:	Slawson
Absent:	Mouawad

## 6. COMMITTEE DISCUSSION/ACTION ITEMS

### A. INLAND EMPIRE BRINE LINE RATE RESOLUTION (PA24#2024.10)

David Ruhl provided a presentation titled Inland Empire Brine Line Rate Resolution 2024-5, contained in the agenda packet on pages 19-32. The proposed Fiscal Year 2024-25 Brine Line Rates for flow, BOD, TSS, fixed pipe, and fixed treatment are shown in Table below. The proposed rates have been calculated using the financial model prepared in 2018 and are based on the approved two-year budget (FY 2023-24 and FY 2024-25). SAWPA staff reviewed the current and proposed budget expenditures and revenues to ensure the rates are consistent and in-line with the budget assumptions and goals when the budget was approved.

*Summary of FY 2023-24 (Current) Rates and FY 2024-25 (Proposed) Rates*

<i>Fiscal Year</i>	<i>Flow (MG)</i>	<i>BOD (1,000 lbs)</i>	<i>TSS (1,000 lbs)</i>	<i>Fixed Pipeline*</i>	<i>Fixed T&amp;D*</i>
Current FY 2023-24	\$1,073	\$394	\$494	\$6,654	\$13,505
<b>Proposed FY 2024-25</b>	<b>\$1,097</b>	<b>\$396</b>	<b>\$497</b>	<b>\$6,654</b>	<b>\$13,505</b>

\*Fixed pipeline and Fixed Treatment and Disposal (T&D) charges are per million gallons (MG) per month.

The Brine Line rates include the cost that Orange County Sanitation District (OC San) charges SAWPA to treat and dispose of brine, which includes a Flow, BOD and TSS charge. The OC San Flow charge (\$294/MG) is included as part of the total SAWPA Brine Line Flow rate (\$1,097/MG). The OC San BOD and TSS charges are considered "pass-through" costs. Hence, SAWPA's rate for BOD and TSS match the OC San BOD and TSS charge.

In April 2024, SAWPA received the proposed Brine Line rates from OC San (Flow, BOD, TSS) that include a 0.5% increase in their charges from last fiscal year. Due to the minor increase in the rates from OC San, SAWPA can maintain the proposed rate increase of 2.25% for Flow and no change in the rate for Fixed Pipeline and Fixed Treatment and Disposal. Since BOD and TSS are pass through costs the rate for BOD and TSS will increase 0.5%.

The fixed charges (pipeline treatment and disposal) are expected to remain the same. These planned rates will be evaluated during the development of the next two-year budget beginning in late 2024. The truck disposal rates will continue to be based on two (2) tiers: the Brine Tier and a Non-Brine Tier. These charges will increase 2.5% from FY 2023-24. The Capacity Lease rates and proposed permit fees for FY 2024-25 will remain unchanged from the rates from FY 2023-24. There was no discussion.

Mr. Ruhl noted if approved today, these rates and resolution will be taken for Commission approval on May 21. There was no discussion.

**MOVED**, to recommend approval by the SAWPA Commission of Resolution No. 2024-5 establishing the Fiscal Year 2024-25 Inland Empire Brine Line Rates.

Result:	<b>Adopted by Roll Call Vote</b>
Motion/Second:	Hall/Gardner
Ayes:	Gardner, Hall, Harrison, Slawson
Nays:	None
Abstentions:	None
Absent:	Mouawad

**B. AGUA MANSA LATERAL PROJECT – NOTICE OF COMPLETION (PA24#2024.11)**

David Ruhl provided a presentation titled Inland Empire Brine Line Agua Mansa Lateral, contained in the agenda packet on pages 37-45. In August 2024, the PA 24 Committee awarded a construction contract to Genesis Construction in the amount of \$2,207,290. The work commenced in September 2023 and was completed on April 30, 2024. The bid amount was \$2,207,290 and three change orders were issued totaling the final contract amount to \$2,266,170.94. The change orders were issued to the Contractor for additional work and time to complete the work. The additional work was due to unknown and unmarked utilities, additional potholing, and adjustment to the pipeline alignment to avoid utility conflicts. The original contract amount increased by 2.7% due to the additional work. It is requested that the PA 24 Committee approve the issuance of a Notice of Completion to be filed with the San Bernardino County Clerk upon receipt of documents required by the Contract Documents. There was no discussion.

**MOVED**, to authorize the General Manager to accept the Genesis Construction work on the Agua Mansa Lateral Project as complete and direct staff to file a Notice of Completion with the San Bernardino County Clerk upon the following:

1. Contractor has delivered all documents required by the Contract Documents; and
2. Notice from Engineer accepting the work; and
3. Receipt of Final Application for Payment from the Contractor; and
4. Notice from the Construction Manager recommending final payment.

Result:	<b>Adopted by Roll Call Vote</b>
Motion/Second:	Gardner/Hall
Ayes:	Gardner, Hall, Harrison, Slawson
Nays:	None
Abstentions:	None
Absent:	Mouawad

**7. INFORMATIONAL REPORTS**

Recommendation: Receive and file the following oral/written reports/updates.

**A. BRINE LINE FINANCIAL REPORT – FEBRUARY 2024**

**B. GENERAL MANAGER REPORT**

Jeff Mosher commended David Ruhl and staff on the completion of the Agua Mansa Lateral Project. The Brine Line Master Plan is underway, and a draft report is forthcoming to the PA 24 Committee.

**C. COMMITTEE MEMBERS COMMENTS**

Committee Member Hall commended staff for all the ongoing efforts.

**D. CHAIR’S COMMENTS/REPORT**

Chair Harrison expressed his compliments to Genesis Construction for the completion of the Agua Mansa Lateral Project.

**8. COMMITTEE MEMBER REQUESTS FOR FUTURE AGENDA ITEMS**

There were no requests for future Agenda items.

Chair Harrison recessed the meeting at 10:33 a.m. for Closed Session.

**9. CLOSED SESSION**

**A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(1)**

*In Re Rialto Bioenergy Facility, LLC*  
U.S. Bankruptcy Court for the Southern District of California  
Case No.: 23-01467-CL11

**10. CLOSED SESSION REPORT**

Chair Harrison resumed Open Session at 10:50 a.m. and Legal Counsel, Andy Turner announced that the PA 24 Committee received a report from SAWPA staff and Counsel; no action was taken on Agenda Item No. 9.A.

**11. ADJOURNMENT**

There being no further business for review, Committee Chair T. Milford Harrison adjourned the Special meeting at 10:51 a.m.

**Approved at a Regular Meeting of the Project Agreement 24 Committee on June 4, 2024.**

DocuSigned by:

*T. Milford Harrison*

T. Milford Harrison, Chair

**Attest:**

DocuSigned by:

*Sara Villa*

Sara Villa, Clerk of the Board